DEPARTMENT OF THE INTERIOR (DOI) OCEAN ENERGY SAFETY ADVISORY COMMITTEE MEETING WASHINGTON, D.C. APRIL 18, 2011

DOI DEPUTY SECRETARY REMARKS

DEPUTY SECRETARY DAVID J. HAYES: Thank you, Tom, and thanks to all of you serving on this very important new Committee, the Ocean Energy Safety Advisory Committee. I want to thank you for your agreement to serve on this Committee, and to serve the Department and the country.

It is very appropriate, I think, that our first meeting of the Committee comes just short of the first year anniversary of the Deepwater Horizon blowout disaster. As you know, over the past year, there's been an enormous amount of attention on the safety of offshore drilling practices and appropriately so.

We've had a searing experience with the blowout itself and its aftermath. I was the first administration official down in the Gulf the morning after the blowout, flying down that morning, huddling with Rear Admiral Landry, on the phone with Thad Allen in the command center of the Minerals Management Service, watching that night and the next day, as the remotely operated vehicles tried to hot-stab the blowout preventers, new terms for America that we've become very acquainted with.

Since then, as you know, we at the Department have been engaged in a vigorous and disciplined reform agenda. New safety rules have been put in place, new requirements for cementing for inspections for certifications, new management system requirements, a major reorganization of the Bureau of Ocean Energy Management regulations and enforcement for deepwater, new containment requirements for blowouts.

But it is apparent throughout that we need more, and we need your help to help us define how to do more. The idea of this Committee grew out of conversations that we had throughout the summer of 2010, with Tom Hunter, your Chair, Thad Allen, and others.

It became apparent as we struggled to get the Deepwater Horizon blowout situation under control, and as we dealt with the aftermath of the spill, that offshore drilling research and development had lagged in all phases from the drilling safety requirements themselves to containment, where clearly industry and government were unprepared, and to oil spill response, where we watched skimmers ineffectively dealing with surficial spills, and we scrambled to deal with a $21^{\rm st}$ century problem with the technology of the $20^{\rm th}$, or it seemed the $19^{\rm th}$ century.

And the question that we talked about during many late nights with Tom and others was how could we gather in one place the expertise needed to have this country lead when it comes to offshore drilling safety? We should have a center of excellence, where industry, as it moves forward with expertise, does not leave behind the academic community, the NGO community, or government.

I think that is your basic charge, this Advisory Committee: How can you help us put together a center of excellence? Perhaps something like the Ocean Energy Safety Institute that will enable collaboration in real time in these three important areas of drilling safety, of containment, and of oil spill response.

We need this. We have the opportunity to do this, and all of you have given your service to this effort.

I will warn you, having served alongside Tom Hunter in a number of capacities, that you'll be working hard. Tom Hunter does not let moss grow under his feet, and that is why the Secretary, Director Bromwich, and I are all so excited that this public process is now underway. While we are proud of the reforms we have put in place, we know that more needs to be done, and we look forward to your guidance as we move forward. And the Secretary will be here shortly after lunch to reinforce these messages. In the mean time, I look forward to the morning sessions, and to Tom's leadership.

Let me make one final comment. I want to thank some of the key folks who have helped put this together, including Brad Blythe, who you just heard from, who has been a huge organizer of this entire effort, with the full support of Mike Bromwich, Tommy Beaudreau, Melissa Schwartz, and the entire BOEMRE team.

I'd also like to thank Raya Bakalov, who has been a leader for Mike in this effort, and Brian Screnar from my own staff. It is a -- it was a tremendous effort to frankly sift through the enormous number of nominations we received for the seats around this table, and congratulations to all of you who are in these seats because there was significant competition.

But it was Brad, Raya, Brian in particular who worked with Tom to put this thing together. So, a special thanks to them. Tom?